

**§ 32.6724 Information management.**

This account shall include costs incurred in planning, developing, testing, implementing and maintaining data bases and application systems for general purpose computers.

**§ 32.6725 Legal.**

This account shall include costs incurred in providing legal services. This includes conducting and coordinating litigation, providing guidance on regulatory and labor matters, preparing, reviewing and filing patents and contracts and interpreting legislation. Also included are court costs, filing fees, and the costs of outside counsel, depositions, transcripts and witnesses.

**§ 32.6726 Procurement.**

This account shall include costs incurred in procuring material and supplies, including office supplies. This includes analyzing and evaluating suppliers' products, selecting appropriate suppliers, negotiating supply contracts, placing purchase orders, expediting and controlling orders placed for material, developing standards for material purchased and administering vendor or user claims.

**§ 32.6727 Research and development.**

(a) This account shall include costs incurred in making planned search or critical investigation aimed at discovery of new knowledge. It also includes translating research findings into a plan or design for a new product or process or for a significant improvement to an existing product or process, whether intended for sale or use.

(b) This excludes making routine alterations to existing products, processes, and other ongoing operations even though those alterations may represent improvements.

**§ 32.6728 Other general and administrative.**

This account shall include costs incurred in performing general administrative activities not directly charged to the user, and not provided for in other accounts. This includes providing general reference libraries, food services (e.g., cafeterias, lunch rooms and vending facilities), archives, general

security investigation services, operating official private branch exchanges in the conduct of the business, and telecommunications and mail services. Also included are payments in settlement of accident and damage claims, insurance premiums for protection against losses and damages, direct benefit payments to or on behalf of retired and separated employees, accident and sickness disability payments, supplemental payments to employees while in governmental service, death payments, and other miscellaneous costs of a corporate nature. This account excludes the cost of office services, which are to be included in the accounts appropriate for the activities supported.

**§ 32.6790 Provision for uncollectible notes receivable.**

This account shall be charged with amounts concurrently credited to Account 1200, Notes Receivable, or to Account 1201, Notes Receivable Allowance, when such allowance is maintained.

**Subpart F—Instructions For Other Income Accounts****§ 32.6999 General.**

(a) *Structure of the Other Income Accounts.* The Other Income Accounts are designed to reflect both operating and nonoperating income items including taxes, extraordinary items and other income and expense items not properly included elsewhere.

**(b) Other Income Accounts Listing.**

Account title	Class A account	Class B account
Other operating income and expense:		
Other operating income and expense .....	17100	7100
Income from custom work .....	7110	.....
Return from nonregulated use of regulated facilities .....	7130	.....
Gains and losses from foreign exchange .....	7140	.....
Gains or losses from disposition of land and artwork .....	7150	.....
Other operating gains and losses .....	7160	.....
Operating taxes:		
Operating taxes .....	17200	7200
Operating investment tax credits—net .....	7210	.....
Operating Federal income taxes .....	7220	.....
Operating State and local income taxes .....	7230	.....
Operating other taxes .....	7240	.....